



**SAN JOSE DOWNTOWN
ASSOCIATION**

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MEMORANDUM

TO: Michelle McGurk, Senior Policy Advisor, Office of Mayor Chuck Reed
FROM: Scott Knies, Executive Director
DATE: May 13, 2010
RE: SJDA Performance Measure FY 09-10 Review

Highlights from SJDA's FY 09-10 Marketing Budget are listed below:

1. Downtown Living Campaign – Generate interest and sales of new downtown high-rise condominiums
Four high rise developers and SJDA contributed \$10,000 each to leverage RDA investment in the campaign, which included four sales events, real estate section ads and pay per click ads. Three downtown high-rise open house events in September, December and March drew more than 2,500 prospective buyers. 13 units were sold as a direct result of these three events and several prospective downtown dwellers expressed “serious” interest, scheduling private return visits. Sales teams at each tower have continued to receive inquiries from prospective buyers as a result of this campaign. Visits to Live Here and Find Your Home pages on sjdowntown.com increased 500% in two weeks prior to Open House events. A fourth event for residential brokers is planned on June 24.

2. Dine Downtown San Jose – Increase patronage of restaurants by targeting visitors, residents and employees.
25 downtown restaurants participated in the inaugural price-fixed promotion. 100% of participating restaurants saw an increase (anywhere from 5-40%) in reservations and new customers during Dine Downtown. 53% of the restaurants saw an increase in repeat customers during the promotion. 100% said Dine Downtown attracted their target audience and felt the event marketing campaign was successful. 100% of 2009 participants have renewed for 2010, plus six new restaurants. Of the 330 patrons surveyed, 97% said they would participate in Dine Downtown if it became an annual event, 46% were dining at a restaurant for the first time and 99% said they would return to the restaurant based on their dining experience. Almost 40% of Dine Downtown patrons did not live in San Jose. Each participating restaurant pays a \$300 co-op fee -- \$250 cash towards ad buys and \$50 in dining certificates used by media partners to increase exposure to the event. More than half of Dine Downtown's extensive print and radio campaign are sponsored ads from media partners.

3. SoFA – Increase awareness of the South First Street Area (SoFA) as Downtown's urban entertainment district; improve the appeal of the district to residents and visitors.
Produced 10 South First Friday events, three Street Markets and provided 25 outdoor street musician performances.

12-14 venues participate in the First Friday of the month Gallery crawl, with an average of 1200-1500 attendees per event. Produced and distributed a total of 10,000 SoFA District/South First Friday brochures. Provided monthly design and content updates to South First Fridays website - www.southfirstfridays.com, which receives 1,631 visits/month. Total visits to the site since August are 14,682. Conducted monthly outreach to e-mail lists, social networking sites and viral marketing mechanisms with event information e-mailed to more than 15,000 arts patrons and 7,000 Downtowner Online subscribers.

Co-produced August and September Street Markets, with subcontractor Two Fish Design. Total attendance at both events was approximately 1,600. The August market was produced in conjunction with the 2009 Jazz Festival and the

San Jose Downtown Association FY '09-'10 Metrics

September market was produced in conjunction with MACLA's 20th Anniversary. The June market will occur on June 4, as a part of the neighborhood's annual Sub-Zero festival, with a three-block street closure, 10 bands or live performances and approximately 30 artisan and street vendors, that ties into the Zero One bi annual event.

4. Downtown Ice – Produce an iconic outdoor seasonal skating rink in the city's Circle of Palms, increase the number of families' downtown during the holidays especially with Christmas in the Park reducing a week.

38,000 skated at Downtown Ice during the 2009-2010 season. SJDA produced outdoor (billboards, transit shelters), advertising (Mercury News donated more than 500 inches of sponsored ads), distributed 55,000 event fliers and 200 posters to promote the event and received features in AAA's VIA Magazine and Bay Area Parent.

Using the city's formula to more closely track economic benefit based on relevant visitors, 2009 surveys revealed a 42 percent rate. This group averaged \$94 in spending per day, down from \$110 a year ago. Using the same multipliers, current economic benefit is \$1.7 million (compared to \$2 million in 2008/09). These totals do not include secondary or indirect spending numbers. With an estimated multiplier of 50 percent, secondary spending of the initial recipients of the revenue could account for almost \$1 million, bringing total economic benefit to more than \$2.5 million.

In 2008/09, 10 percent of the respondents indicated they spent the night in a hotel downtown and 2 percent indicated their plans to spend more than \$1,000 during their stay. In 2009, SJDA discovered the average stay is four nights. From the two samples, SJDA learned that the range of hotel nights spent as a result of Downtown Ice ranges from 2,000 - 4,500. Additionally, Downtown Ice subcontractors also spend 40 hotel nights in San Jose during the construction and de-construction of the rink.

5. Music in the Park – Produce a free outdoor music series with high quality artists and production values reinforcing downtown San Jose as Silicon Valley's creative urban center; increase business for neighboring establishments, encourage office workers to stay downtown after work and others to come downtown.

Produced the 21st season of free concerts with 13 shows in Plaza de Cesar Chavez. New this year was the "San Jose Has Talent" singing competition geared to increase audience numbers earlier in the evening. This American-Idol type contest showcased the talent of 18 local participants over eight weeks. Apple co-founder, Steve Wozniak, participated as a celebrity judge on multiple weeks.

Survey data revealed that at least 25 percent of event attendees are "relevant visitors," as defined in the City of San Jose's survey methodology. This group averaged \$68 in spending per day outside Music in the Park and \$35 at the concert, a total of \$103. Based on 76,600 concert-goers over the 13 weeks of the series, the economic impact is \$1.97 million. This total does not include secondary or indirect spending.

6. Starlight Cinemas – Activate two new core neighborhoods – the Historic District and SoFA - in addition to San Pedro Square.

Expansion into two new neighborhoods was successful. Produced a total of nine outdoor screenings from June – August in San Pedro Square, the Historic District and SoFA. Total attendance for the series was approximately 5,000, with the largest crowd (1,000) attending the "zombie crawl" screening in SoFA in August 2009. This event was featured on both the front page of the Mercury News and Metro Newspaper in the same week. Historic District businesses added a Blues stage on Post Street and showed classic movies with much better attendance than previous year in St. James Park.

58% of event attendees do not live downtown, 15% attended all nine screenings and 88% reported spending money on food and beverages before or after a screening. 100% of neighborhood businesses that supported the series in 2009 are scheduled to return in 2010. All three neighborhoods are scheduled for Starlight Cinemas again this summer.

7. Farmers' Market at San Pedro Square – Increase sales for businesses; increase foot traffic; increase event attendance; brand as premier farmers' market in the region.

Conducted 25 markets, July 3 – December 18, 2009 and May 7, 2010. Will conduct a total of 35 markets by June 25, 2010. Midday Friday market primarily attracts downtown office employees and local residents, per surveys and parking validation use. Metro Newspapers, El Observador and CBS5 returned as market sponsors as well as VTA and radio stations Mix 106.5, KBAY 94.5, 90.5 KSJS, Channel 104.9 and 98.5 KFOX. Each of these organizations has sponsored the Market for numerous years. Average weekly attendance ranges from 1,500 – 2,000 depending on the season, despite downtown's increased office vacancy. Average weekly attendance for agricultural and non-agricultural vendors ranges from 40-50.